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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/839,745	04/19/2001	Michael J. Horgan	IPS5019.01A	1294
<div>7590      07/20/2007 John P. O'Banion O'BANION &amp; RITCHEY LLP 400 Capitol Mall, Suite 1550 Sacramento, CA 95814</div>			<div>EXAMINER GREIMEL, JOCELYN</div> <div>ART UNIT      PAPER NUMBER 3693</div> <div>MAIL DATE      DELIVERY MODE 07/20/2007      PAPER</div>	

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

## Interview Summary

Application No.

09/839,745

Applicant(s)

HORGAN, MICHAEL J.

Examiner

Jocelyn Greimel

Art Unit

3693

All participants (applicant, applicant's representative, PTO personnel):

(1) Jocelyn Greimel.

(3) \_\_\_\_\_.

(2) Rodger Rast.

(4) \_\_\_\_\_.

Date of Interview: 10 July 2007.

Type: a) ☒ Telephonic b) ☐ Video Conference  
c) ☐ Personal [copy given to: 1) ☐ applicant 2) ☐ applicant's representative]

Exhibit shown or demonstration conducted: d) ☐ Yes e) ☒ No.  
If Yes, brief description: \_\_\_\_\_.

Claim(s) discussed: 2.

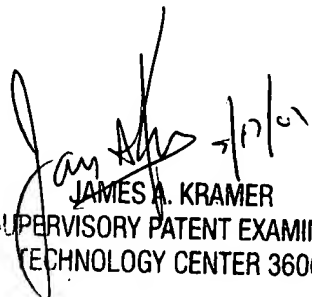
Identification of prior art discussed: N/A.

Agreement with respect to the claims f) ☐ was reached. g) ☐ was not reached. h) ☒ N/A.

Substance of Interview including description of the general nature of what was agreed to if an agreement was reached, or any other comments: E. Greimel and Atty. Rast discussed proposed claim amendments and the 112 rejections. Atty. Rast advised he would submit additional information and proposed amendment language (attached hereto).

(A fuller description, if necessary, and a copy of the amendments which the examiner agreed would render the claims allowable, if available, must be attached. Also, where no copy of the amendments that would render the claims allowable is available, a summary thereof must be attached.)

THE FORMAL WRITTEN REPLY TO THE LAST OFFICE ACTION MUST INCLUDE THE SUBSTANCE OF THE INTERVIEW. (See MPEP Section 713.04). If a reply to the last Office action has already been filed, APPLICANT IS GIVEN A NON-EXTENDABLE PERIOD OF THE LONGER OF ONE MONTH OR THIRTY DAYS FROM THIS INTERVIEW DATE, OR THE MAILING DATE OF THIS INTERVIEW SUMMARY FORM, WHICHEVER IS LATER, TO FILE A STATEMENT OF THE SUBSTANCE OF THE INTERVIEW. See Summary of Record of Interview requirements on reverse side or on attached sheet.

  
JAMES A. KRAMER  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600

Examiner Note: You must sign this form unless it is an Attachment to a signed Office action.

\_\_\_\_\_  
Examiner's signature, if required

## Summary of Record of Interview Requirements

### Manual of Patent Examining Procedure (MPEP), Section 713.04, Substance of Interview Must be Made of Record

A complete written statement as to the substance of any face-to-face, video conference, or telephone interview with regard to an application must be made of record in the application whether or not an agreement with the examiner was reached at the interview.

### Title 37 Code of Federal Regulations (CFR) § 1.133 Interviews

#### Paragraph (b)

In every instance where reconsideration is requested in view of an interview with an examiner, a complete written statement of the reasons presented at the interview as warranting favorable action must be filed by the applicant. An interview does not remove the necessity for reply to Office action as specified in §§ 1.111, 1.135. (35 U.S.C. 132)

#### 37 CFR §1.2 Business to be transacted in writing.

All business with the Patent or Trademark Office should be transacted in writing. The personal attendance of applicants or their attorneys or agents at the Patent and Trademark Office is unnecessary. The action of the Patent and Trademark Office will be based exclusively on the written record in the Office. No attention will be paid to any alleged oral promise, stipulation, or understanding in relation to which there is disagreement or doubt.

The action of the Patent and Trademark Office cannot be based exclusively on the written record in the Office if that record is itself incomplete through the failure to record the substance of interviews.

It is the responsibility of the applicant or the attorney or agent to make the substance of an interview of record in the application file, unless the examiner indicates he or she will do so. It is the examiner's responsibility to see that such a record is made and to correct material inaccuracies which bear directly on the question of patentability.

Examiners must complete an Interview Summary Form for each interview held where a matter of substance has been discussed during the interview by checking the appropriate boxes and filling in the blanks. Discussions regarding only procedural matters, directed solely to restriction requirements for which interview recordation is otherwise provided for in Section 812.01 of the Manual of Patent Examining Procedure, or pointing out typographical errors or unreadable script in Office actions or the like, are excluded from the interview recordation procedures below. Where the substance of an interview is completely recorded in an Examiners Amendment, no separate Interview Summary Record is required.

The Interview Summary Form shall be given an appropriate Paper No., placed in the right hand portion of the file, and listed on the "Contents" section of the file wrapper. In a personal interview, a duplicate of the Form is given to the applicant (or attorney or agent) at the conclusion of the interview. In the case of a telephone or video-conference interview, the copy is mailed to the applicant's correspondence address either with or prior to the next official communication. If additional correspondence from the examiner is not likely before an allowance or if other circumstances dictate, the Form should be mailed promptly after the interview rather than with the next official communication.

The Form provides for recordation of the following information:

- Application Number (Series Code and Serial Number)
- Name of applicant
- Name of examiner
- Date of interview
- Type of interview (telephonic, video-conference, or personal)
- Name of participant(s) (applicant, attorney or agent, examiner, other PTO personnel, etc.)
- An indication whether or not an exhibit was shown or a demonstration conducted
- An identification of the specific prior art discussed
- An indication whether an agreement was reached and if so, a description of the general nature of the agreement (may be by attachment of a copy of amendments or claims agreed as being allowable). Note: Agreement as to allowability is tentative and does not restrict further action by the examiner to the contrary.
- The signature of the examiner who conducted the interview (if Form is not an attachment to a signed Office action)

It is desirable that the examiner orally remind the applicant of his or her obligation to record the substance of the interview of each case. It should be noted, however, that the Interview Summary Form will not normally be considered a complete and proper recordation of the interview unless it includes, or is supplemented by the applicant or the examiner to include, all of the applicable items required below concerning the substance of the interview.

A complete and proper recordation of the substance of any interview should include at least the following applicable items:

- 1) A brief description of the nature of any exhibit shown or any demonstration conducted,
- 2) an identification of the claims discussed,
- 3) an identification of the specific prior art discussed,
- 4) an identification of the principal proposed amendments of a substantive nature discussed, unless these are already described on the Interview Summary Form completed by the Examiner,
- 5) a brief identification of the general thrust of the principal arguments presented to the examiner,  
(The identification of arguments need not be lengthy or elaborate. A verbatim or highly detailed description of the arguments is not required. The identification of the arguments is sufficient if the general nature or thrust of the principal arguments made to the examiner can be understood in the context of the application file. Of course, the applicant may desire to emphasize and fully describe those arguments which he or she feels were or might be persuasive to the examiner.)
- 6) a general indication of any other pertinent matters discussed, and
- 7) if appropriate, the general results or outcome of the interview unless already described in the Interview Summary Form completed by the examiner.

Examiners are expected to carefully review the applicant's record of the substance of an interview. If the record is not complete and accurate, the examiner will give the applicant an extendable one month time period to correct the record.

### Examiner to Check for Accuracy

If the claims are allowable for other reasons of record, the examiner should send a letter setting forth the examiner's version of the statement attributed to him or her. If the record is complete and accurate, the examiner should place the indication, "Interview Record OK" on the paper recording the substance of the interview along with the date and the examiner's initials.

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Appl. No. : 09/839,745 Confirmation No.: 1294  
Applicant : MICHAEL J. HORGAN  
Title : METHOD AND SYSTEM FOR UBIQUITOUS ENABLEMENT OF  
ELECTRONIC CURRENCY  
Filed : 04/19/2001  
TC/A.U. : 3693  
Examiner : JOCELYN GREIMEL  
Docket No. : IPS5019.01A  
Cust. No. : 8156

TO: **Examiner Jocelyn Greimel**  
**(571) 273-3734 FAX**  
13 pages

**INFORMAL COMMUNICATION**

Examiner Greimel:

As per our telephone discussion earlier today (07/10/2007), attached are some materials addressing the issues raised in the Office Action mailed on June 18, 2007.

We appreciate your generous cooperation offered in determining if an Examiner amendment could be used to put the application in condition for allowance.

*(It should be noted that the following material is arranged similar to a conventional Office Action Response for the sake of convenience.)*

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Date Sent: 07/10/2007  
FAX No.: (571) 273-3734

**Listing of Claims:**

1. (canceled)
2. (currently amended): A method for facilitating payment transactions, comprising:
  - generating a virtual account on behalf of a user, within a trust account configured for aggregating a plurality of virtual accounts under the control of a trustee appointed to administer the funds within the trust account;
  - said trust account configured with an associated repository of capital sufficient to disburse funds by said trustee equivalent to the cumulative balances within the associated virtual accounts;
  - issuing, to a user as a cardholder, a virtual account electronic payment card encoded with said virtual account number and linked to said trust account;
  - accessing said virtual account in response to presentation of payment transaction information associated with a virtual account payment card when executing a payment transaction; and
  - immediately transferring any portion of a balance from the virtual account of said user, as said trustee releases a level of funds from the trust account in response to user directive, to render payment for executing said payment transaction without creating a chargeback liability.
3. (previously presented): A method as recited in claim 2, wherein said issuing includes the activation of said virtual account payment card.
4. (original): A method as recited in claim 3, wherein

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a virtual account number is printed or embossed on said virtual account payment card; and

the virtual account number is encoded on a magnetic stripe on the card.

5. (previously presented): A method as recited in claim 2, wherein said virtual account can be depleted through one or more transactions for which the virtual account payment card is used as the means of payment for a merchant.

6. (original): A method as recited in claim 2, wherein said virtual account can be depleted through one or more transfers for which the virtual account payment card is utilized as a source of funds to facilitate a funds transfer to another virtual account.

7. (original): A method as recited in claim 2, wherein redeeming said virtual account by the cardholder results in remuneration of the cardholder with a monetary value equivalent to a virtual account balance.

8. (original): A method as recited in claim 2,  
wherein said virtual account can be recharged from time-to-time by transferring a monetary amount to an issuer or trustee for increasing the balance amount of the virtual account; and

wherein the virtual account may be credited to increase the balance in response to merchant refunds and adjustments.

9. (previously presented): A method as recited in claim 2,  
wherein said virtual account payment card can be electronically scanned and authenticated through the existing payment card infrastructure; and

wherein a transaction using said card is authorized and settled through the existing payment card infrastructure.

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Claims 10-20 (canceled).

21. (currently amended): A method for performing monetary transactions with a virtual account payment card, comprising:

manufacturing a virtual account payment card containing a virtual account number printed or embossed on the card, and encoded magnetically within a magnetic stripe on the virtual account payment card;

generating a virtual account corresponding to the virtual account payment card, said virtual account maintained as a record within the database for a trust account, said virtual account record containing balance information indicative of the portion of funds received within the trust account which may be paid out from the trust account in response to a transaction with the virtual account payment card;

processing the virtual account payment card for a transaction ~~[[in]]~~ the same as that used for other payment cards; and

settling the transaction by the trustee, appointed to administer the funds within the trust account, from said trust account on behalf of the cardholder in response to the trustee releasing a level of funds from the trust account in response to cardholder directive;

wherein said transaction is settled immediately, without incurring chargeback liability, upon processing said transaction, by decrementing the existing balance of the virtual account in response to payments made with the virtual account payment card, and incrementing the existing virtual account balance in response to transfers made into the virtual account payment card.

22. (canceled)

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23. (currently amended): A system for facilitating payment transactions, comprising:

means for generating a virtual account by a financial or other institution on behalf of a user within a database having a database record for the virtual account within a trust account which is responsive to a monetary remittance from the cardholder;

said trust account is controlled by a trustee appointed to administer the funds within the trust account in response to directives from the cardholder of said virtual account;

said database is configured to provide agglomeration of multiple virtual accounts to be associated with a single trust account;

an electronic payment card having a virtual account number associated with said virtual account, said virtual account number configured for being read while executing monetary payment and transfer transactions through said trustee;

means for issuing and activating said card;

means for initially establishing said virtual account when the card is issued and activated; and

means for executing a payment transaction with said payment card against a virtual account without requiring the user to maintain a checking account associated with said payment card;

wherein said payment transaction comprises executing a payment through the existing payment card infrastructure, or transferring in response to user directive any portion of a balance from said virtual account to a virtual account of another cardholder; and

said payment transaction decrementing the balance of said virtual account immediately upon authorizing said payment transaction, and without incurring a chargeback liability.



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24. (previously presented): A system as recited in claim 23, wherein said virtual account is held anonymously by said user as cardholder.

25. (previously presented): A system as recited in claim 24, further comprising: means for retaining a history of transactions executed from the associated virtual account.

26. (previously presented): A system as recited in claim 23, wherein said virtual account can be recharged by the cardholder to increase the account balance in response to depositing additional funds into the virtual account, transferring funds from another virtual account, or crediting the balance of the virtual account as the result of a merchant refund or adjustment.

27. (previously presented): A system as recited in claim 26, further comprising: said recharging comprising the cardholder incrementing a balance for said virtual account within the trust account by direct remittance of currency, or by performing a monetary transfer from an account selected by the cardholder from the group of accounts consisting of: checking accounts, savings accounts, money market accounts, debit accounts, credit card accounts, lines of credit, and loans.

28. (original): A system as recited in claim 23, further comprising at least one security feature selected from the group of security features consisting of cardholder signature, holographic indicia, cardholder photo, personal identification number, and biometric characterization data.

29. (previously presented): A system as recited in claim 23, wherein said virtual account can be depleted through one or more transactions for which the card is used as the means of payment to a merchant.

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30. (original): A system as recited in claim 23, wherein said virtual account can be recharged from time-to-time by depositing additional funds into the virtual account or crediting the balance of the virtual account as the result of a merchant refund or adjustment.

31. (previously presented): A system as recited in claim 23, wherein said card is electronically scanned and authenticated through the existing payment card infrastructure, and the transaction is then authorized and settled through the existing payment card infrastructure.

32. (previously presented): A system as recited in claim 23, further comprising means for generating additional virtual accounts, and means for aggregating all such virtual accounts for an issuing bank, or institution, into a single trust or similar account from which all transactions executed with the method are paid.

Claims 33-43 (canceled)

44. (previously presented): A method as recited in claim 2, wherein said virtual account is held anonymously by said user as cardholder.

45. (previously presented): A method as recited in claim 2, wherein said payment transaction comprises a payment made to a merchant, or a payment made in transferring funds into another virtual account.

46. (previously presented): A method as recited in claim 45, wherein said transferring of funds is performed without the need of receiving authorization from the cardholder associated with said virtual account to which the payment is transferred.

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47. (previously presented): A method as recited in claim 2, wherein said virtual account is configured for being recharged to a higher fund level in response to performing a monetary transfer into said trust account.

48. (previously presented): A method as recited in claim 21, further comprising issuing and activating said virtual account payment card for said virtual account.

49. (previously presented): A method as recited in claim 21, wherein:  
a virtual account number is printed or embossed on said virtual account payment card; and  
the virtual account number is encoded on a magnetic stripe on the card.

50. (previously presented): A method as recited in claim 21, wherein said virtual account can be depleted through one or more transactions for which the virtual account payment card is used as the source of payment for executing transactions with a merchant.

51. (previously presented): A method as recited in claim 21, wherein said virtual account can be depleted through one or more transfers for which the virtual account payment card is utilized as a source of funds to facilitate a funds transfer to another virtual account.

52. (previously presented): A method as recited in claim 21, wherein redeeming said virtual account by the cardholder results in remuneration of the cardholder with a monetary value equivalent to a virtual account balance.

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53. (previously presented): A method as recited in claim 21,  
wherein said virtual account can be recharged from time-to-time by transferring a  
monetary amount to an issuer or trustee for increasing the balance amount of the virtual  
account; and

wherein the virtual account may be credited to increase the balance in response  
to merchant refunds and adjustments.

54. (previously presented): A method as recited in claim 21,  
wherein said virtual account payment card can be electronically scanned and  
authenticated through the existing payment card infrastructure; and

wherein a transaction using said card is authorized and settled through the  
existing payment card infrastructure.

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### DISCUSSION

1. Withdrawal of 35 U.S.C. § 102 & 103 Rejections.

The Applicant notes with appreciation Examiner's withdrawal of the prior rejections on the merits.

2. Rejection of Claims 2, 21 and 23 under 35 U.S.C. § 112.

Claims 2, 21 and 23 were rejected under 35 U.S.C. § 112 as being indefinite.

In Claim 2 the language "*presentation of information associated with a virtual account card*" was objected to for being unclear as to what is covered by that language.

In response, Applicant puts forth an amendment of Claim 2 which now recites the information as being "*payment transaction information*".

3. Rejection of Claims 2, 21 and 23 under 35 U.S.C. § 112.

Claims 2, 21 and 23 were rejected under 35 U.S.C. § 112 as failing to comply with the enablement requirement.

Applicant puts forth suggested amendments to Claims 2, 21 and 23 toward clarifying the duties of the trustee of the trust account, by specifying that the trustee "*is appointed to administer the funds within the trust account*", as discussed in the specification at page 20, lines 11-12. This added material accentuates the trustee relationship with the trust account and the fund disbursement duties of the trustee.

It will be appreciated that a trustee has a legally binding relationship with the given trust account, and more particularly, the entity establishing the trust account, or in this case the cardholder. It should be recognized that even with trusts set up by a family or individual (i.e., Rockefeller trust) the death of 'the trustee' does not impair the ability of the trust to discharge its duty and the funds over which it has charge. Typically, the 'trustee' is a business entity charged with the legal responsibility to administer the funds within the trust according to the terms established by whomever established the trust. These responsibilities being set forth in abundant state and

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federal regulations directed specifically at trusts.

Turning now to the language of the 112 rejection one portion states that *"as said trustee releases a level of funds from the trust account in response to user directive, to render payment."* is not enabled in the specification *"for how a bank account can release the funds in a trustee capacity"*. The statement is also made in the rejection about distinguishing this application *"from other pre-paid or pre-authorized cards in which a trustee (or bank) releases funds in response to a user directive"*. (emphasis added)

In light of the statements above it appears that some level of confusion still appears to exist with regard to a *"trust account"* and *"trustee"*.

None of the prior art of record has disclosed the building of any payment card structure upon a trust account mechanism. It should be appreciated that by virtue of this trust account configuration of the inventive payment card, a number of benefits are derived as brought out in the specification of the instant application.

It should also be recognized that a trust account, as described, always has a trustee that is the legally responsible party, the party which is bound under law to manage the account and release funds. This trustee aspect is described throughout the specification, and was recited in the original claims for the application, such as in original Claim 34. In addition should be noted that the trustee is responsible for assuring the viability of the account from loss by the user/cardholder. By contrast, in a pre-paid debit card the account is owned by the card seller, wherein the money submitted by the user becomes the property of the card seller. Thus, when the seller of a pre-paid debit card goes bankrupt, for example, money is lost by the user.

Looking at the trust account aspects in greater detail, it is seen that the term "Trustee" is a term describing a binding legal relationship within a trust account, a relationship in which the Trustee manages the account on behalf of a beneficiary, such as the party establishing the trust. In the present Application the user deposits money into a virtual account within the trust account to be managed by the account trustee.

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This configuration differs markedly from the account relationship of a pre-paid debit payment card, wherein the receiver of the monies does not have this legally-binding relationship.

Dictionary definition of "Trustee" - *"Manager of another's property. A person who is given the legal authority to manage money or property on behalf of somebody else."* (Excerpt from the Microsoft Encarta College Dictionary (published 2001) ).

From the above it is seen that a trustee is legally bound to manage the trust account, such as for the dispersal of funds on behalf of the user. The specification provides support for the use of a trustee and even the release of funds by a trustee. For example, a trustee release of funds is described for the example of redeeming a prepaid trust account based card as found in the specification at page 27, lines 16-22:

*"The handling of various card related events is summarized in block 40. The VAP card may be redeemed as shown at block 42 at any time, wherein the trustee releases a level of funds from the trust account commensurate with the remaining balance of the virtual account payment card. During redemption, the payment card, having an associated virtual account, is presented to a merchant or issuing bank, wherein the unused balance in the account is remitted to the cardholder through the trustee as a cash payment or credit." (emphasis added)*

In addition, the specification recites that the Trustee can be a financial institution configured to manage the funds as seen at page 20, lines 5-12:

*"The issuer of the VAP card may be the trustee of the trust account, or the trustee may be any large financial institution configured to manage the virtual accounts and communicate as necessary with the related parties. The payment card with associated virtual account is preferably either "issued to" the cardholder by an issuing institution, such as a bank, or "acquired by" the cardholder from a merchant. No physical account exists, such as for which checks may be written against, and the trustee of the trust account is a bank or other financial institution that is appointed to administer the funds within the trust account." (emphasis added)*

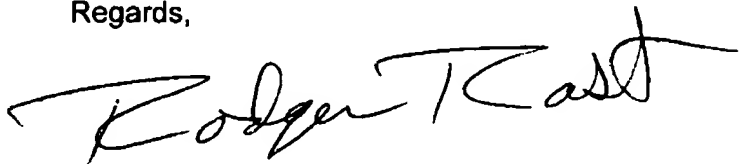
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Beyond describing the integration of these aspects within a transaction database and operated upon within a transaction processing infrastructure, the specification need not, or should not, delve into specific software and organizational structures employed for releasing funds by the trustee for a number of reasons, including the following. (1) The trust account structure itself is novel and unobvious over the use of previous card based systems, and it provides a number of unique benefits, which are brought out in the specification and claims. (2) A number of ways exist to accomplish obtaining a user directive which is considered a legal authorization to the trustee, and for legally releasing the funds as trustee of the account. Wherein it would be unduly limiting on the invention to describe specific variants which are each largely a matter of design choice in view of the teachings of the present invention.

We hope that the amendments and discussion above clarify the remaining issues and we look forward to discussing the case when you finish 'digesting' the above material.

Date: July 10, 2007

Regards,



Rodger H. Rast, Reg. No. 45,853  
O'BANION & RITCHEY LLP  
400 Capitol Mall, Suite 1550  
Sacramento, CA 95814  
(916) 498-1010